



Committee Schedule of Veterans Interest Week of April 8 - 12, 2013

Monday, April 8, 2013

Committee: House State Government Finance and Veterans Affairs

Chair: Rep. Mary Murphy

Room: 200 State Office Building

Time: 12:30 PM Please note that the committee will reconvene in room 200 at 6:45 PM, if necessary, to complete the agenda.

Agenda:

Phase III, Building the Omnibus State Government Finance and Veterans Affairs Bill

Amendments will be taken to the Delete-everything amendment to HF1184 . The intention of the chair is to complete all amendments at the April 8 meeting.

Tuesday, April 9, 2013

Committee: House Capital Investment

Chair: Rep. Alice Hausman

Room: 200 State Office Building

Time: 8:15 AM

Agenda:

Presentation of delete everything amendment to HF270 - Omnibus Bonding bill. *****No action will be taken***** NOTE: The DE amendment and a link to the spreadsheet will be posted on the committee website following the April 9 hearing.

More bills may be added to agenda.

Committee: Senate State Departments and Veterans Division

Chair: Sen. Tom Saxhaug

Room: 107 Capitol

Time: 3:00 PM The committee will meet until the bill is finalized.

Agenda:

SFxxxx Omnibus state government, military affairs and veterans affairs appropriations.

Every effort will be made to have the Delete-All amendment and preliminary spreadsheet available online by noon.

Thursday, April 11, 2013

Committee: Senate Finance

Chair: Sen. Richard Cohen

Room: 123 Capitol

Time: 8:30 AM

Agenda:

SFxxxx (Saxhaug): State Departments and Veterans Finance Omnibus Bill.

**State Legislative Week in Review
Week of April 1 - 5, 2013**

Tuesday, April 2, 2013

Senate Session

Bill introductions of Veterans interest:

Senator Kiffmeyer introduced:

SF1532: A bill for an act relating to education; modifying enrollment priorities under the Postsecondary Enrollment Options Act; amending Minnesota Statutes 2012, section 124D.09, subdivision 9.

Referred to the Committee on Education.

House Session

Bill introductions of Veterans interest:

Dettmer introduced:

HF1667: A resolution memorializing Congress and the President of the United States to amend federal veterans cemetery law to expand eligibility for burial in State Veterans Cemeteries developed with federal funding to include the Hmong-American and Lao-American surrogate fighters of America's Secret War in Laos.

The bill was read for the first time and referred to the Committee on State Government Finance and Veterans Affairs.

Committee Hearings

Committee: House Capital Investment

Chair: Rep. Alice Hausman

Agenda:

MN Department of Veterans Affairs Bonding Overview presented by Mike McElhiney, Legislative Director and Mike Gallucci, Deputy Commissioner of Veterans Health Care. The past bonding projects at the Minneapolis Veterans Home along with the current bonding request were outlined.

- Building 19 (100 bed skilled nursing) – Phase 1 was completed and occupied July 2012; total cost was \$29,256,428
- Building 17N (100 bed skilled nursing) – Phase 2 is demolition and rebuild; anticipated start Spring, 2013
- Building 16 Remodel (50 bed domiciliary) – part of Phase 2 with an anticipated occupation date of May-June 2013; total cost of Phase 2 is \$33,485,500
- Building 17S (100 bed skilled nursing) – Phase 3 is in pre-design/design phase; 2012 received \$3,050,000, includes tunnel, high voltage loop and all necessary infrastructure to tie all phases together; anticipated cost is \$54,100,000
- Building 13 (central pharmacy) – separate project in design phase; 2012 received \$1,366,000.

The 2013 bonding request for the Minneapolis Veterans Homes is \$54,100,000 to finish Phase 3.

The asset preservation request is \$5,355,000 which would be distributed among the five veterans homes and the state cemetery as follows:

- Hastings \$1,635,000
- Fergus Falls \$ 275,000
- Luverne \$ 770,000
- Minneapolis \$1,630,000
- Silver Bay \$ 975,000
- Little Falls Cemetery \$ 70,000

The Deputy Commissioner reviewed the federal VA grant program timeline and outlined the documentation needed to complete an application and move it forward for consideration of federal matching grant funds.

Committee: House Ways and Means

Chair: Rep. Lyndon Carlson

Agenda:

HF903 (Persell): Beltrami County; veterans home established. The amended bill requests the commissioner to submit an operating plan, with preliminary operating budget, to the chairs of the committees with oversight of veterans issues as well as the House Ways and Means and Senate Finance committees before soliciting bids for the home's construction. The bill, as amended, was recommended to pass and placed on the General Registry.

HF109 (Ward): Brainerd; new veterans home authorized. The same amendment as the one attached to HF903 was passed and the bill placed on the General Registry.

Note: The committee discussed whether or not there was a need to pass language without a bonding authorization in order to get the Bemidji and Brainerd veterans homes applications on the federal list. There was also interest in having MDVA provide a priority list for possible new veterans homes locations.

Committee: House Taxes

Chair: Rep. Ann Lenczewski

Agenda:

HF59 (Dettmer): Military retirement pay income tax subtraction provided. This bill would amend Minnesota's income tax law by providing a subtraction from taxable income of military retirement pay, including survivor's benefit plan payments (SBP). Under current tax laws, such pay is taxable. Under this proposal, a retired military member or surviving spouse would be able to subtract 100 percent of his or her military retirement pay or survivor's benefit plan pay from the amount of the person's federal taxable income, which is the starting amount for calculating Minnesota income tax liability. The benefit would begin for taxable year 2013.

HF60 (Dettmer): Military retirement pay income tax subtraction phased-in. This bill would amend Minnesota's income tax law by providing a subtraction from taxable income of military retirement pay, including survivor's benefit plan payments. Under current tax law, such pay is taxable. Under the bill, a retired military member or surviving spouse would be able to subtract a portion, and eventually all, of his or her military retirement pay or survivor's benefit plan pay from the amount of the person's federal taxable income, which is the starting amount for calculating Minnesota income tax liability.

The benefit would begin for tax year 2013 with the beginning-year subtraction set at 20 percent of military retirement pay. It would then increase an additional 20 percent (i.e., 40%, 60%, and 80%) in the succeeding years, until reaching 100 percent of military retirement pay in tax year 2017 and thereafter, for a 5-year phase-in of the benefit.

The subtraction would also be applied to the calculation for alternative minimum tax (AMT), and thereby further benefit Minnesotans who are retired military members.

HF62 (Dettmer): Past military service tax credit eligibility modified. Current law provides an income tax credit for certain former military members, in recognition of their past career military service. The credit is structured in a manner designed to offset part or all of a qualifying veteran's tax liability in any given tax year. The credit equals \$750, but is reduced by ten percent of any adjusted gross income (from all sources, including military retirement pay) in excess of \$30,000, such that when income reaches \$37,500 the credit essentially zeroes out for an otherwise qualified veteran. To be eligible for this credit, a veteran must have been separated from military service before the end of the year and have either:

- 1) served 20 years or longer in the military; or
- 2) have a service-connected disability rated by the USVA as being 100% total and permanent.

This bill would broaden the eligibility criteria for the tax credit for past military service by including any veteran who has been determined by the military to be eligible for compensation from a pension or other retirement pay from the federal government for service in the military, as computed under certain specific sections of Title 10, U.S. Code.

Background: A member of the military becomes eligible to retire after serving honorably for a total of 20 or more years. If that active service has been full-time, then the military retiree is immediately eligible for military retirement pay. In contrast, a person who has credit for 20 or more years of honorable service in the National Guard or another Reserve unit becomes eligible

All three bills were laid over for possible inclusion in the Omnibus Tax bill.

Committee: Senate State Departments and Veterans Budget Division

Chair: Sen. Tom Saxhaug

Agenda:

SF341 (Gazelka): Minnesota military museum at Camp Ripley appropriation. An author's amendment increased the appropriation from \$100,000 to \$170,000 to support a half-time archivist. The Minnesota Historical Society would serve as the fiscal agent for the Minnesota Military Museum at Camp Ripley. The bill, as amended, was laid over for possible inclusion in the omnibus bill.

SF536 (Chamberlain): Veterans service office grant program modification and appropriation. This bill makes changes to a program that provides grants to counties to enable them to enhance the effectiveness of their veterans service offices. The counties will receive annual grants, rather than receiving grants on a three-year rotating cycle. The bill changes the amounts that counties receive, establishing a base amount for all counties (\$7,500) with an additional amount that varies based on veterans population. The Minnesota Association of County Veterans Service Officers will receive a \$50,000 grant to be used for specified purposes. An appropriation of \$1,005,000 for each of FY14 and FY15 is authorized and added to MDVA's base budget. The bill was laid over for possible inclusion in the omnibus bill.

Committee: Senate Higher Education and Workforce Development Division

Chair: Sen. Terri Bonoff

Agenda:

SF1467 (Petersen): Military training or service programs academic credit award standards modifications. Minnesota State Colleges and Universities (MnSCU) must recognize courses and award educational credits for courses that were part of a veteran's military training or service. In doing so, consideration must be given to academic skills developed in training or service course curriculum and not limited solely to the physical fitness or activity components of the course. The University of Minnesota and private colleges and universities are encouraged to do the same. The bill was laid over for possible inclusion in the Omnibus Higher Education bill.

Wednesday, April 3, 2013

Committee Hearings

Committee: Senate Transportation and Public Safety Division

Chair: Sen. Scott Dibble

Agenda:

SF1079 (Rest): Upper Midwest Community Policing Institute grant appropriation for training community safety personnel on the use of de-escalation techniques for dealing with veterans in crisis. This bill appropriates \$100,000 in each year of the biennium from the general fund to the Commissioner of Public Safety for a grant to the Upper Midwest Community Policing Institute to train community safety personnel in the use of de-escalation strategies for handling returning veterans in crisis. The bill was laid over for possible inclusion in the omnibus bill.

Thursday, April 4, 2013

Senate Session

Bill introductions of veterans interest:

Senators Wiger, Saxhaug and Dziejcz introduced:

SF1547: A bill for an act relating to veterans; appropriating money for a grant to the Asian Pacific American Housing Consortium's nonprofit veterans service provider organizations serving veterans, persons with United States military service, and their families.

Referred to the Committee on Finance.

Special Orders:

SF319: A bill for an act relating to military affairs; allowing active duty service members to take a peace officer reciprocity examination was read the third time and placed on final passage. The bill passed on a vote of 63-0.

House Session

Bill introductions of veterans interest:

Gunther, Hausman and Dettmer introduced:

HF1701: A bill for an act relating to education; complying with the Military Interstate Children's Compact.

The bill was read for the first time and referred to the Committee on Education Policy.

Dauids introduced:

HF1716: A bill for an act relating to veterans; establishing a veterans home in Fillmore County; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on State Government Finance and Veterans Affairs.

Committee Hearings

Committee: Senate Tax Reform Division

Chair: Sen. Ann Rest

Agenda:

SF32 (Gazelka): Income tax subtraction for military retirement pay. See HF59 companion above. The bill was laid over for possible inclusion in the omnibus bill.

Committee: Senate Environment, Economic Development and Agriculture Division

Chair: Sen. David Tomassoni

Agenda:

SF774 (Ruud): Camp Ripley/Veterans state trail acquisition and development bond issue and appropriation. This bill appropriates \$2,000,000 from the bond proceeds fund to the commissioner of natural resources for development of the Camp Ripley/Veterans State Trail. The bill was laid over for possible inclusion in the Omnibus Capital Investment bill.

Committee: Senate State Departments and Veterans Division

Chair: Sen. Tom Saxhaug

Agenda:

SF1119 (Sparks): Military leave use for state and municipal employees provisions clarification. Under current law, any officer or employee of the state or of any political subdivision, municipal corporation, or other public agency of the state who is a member of the National Guard, or any other component of the militia of the state, or who is a member of the officers' reserve corps, the enlisted reserve corps, the Naval Reserve, the Marine Corps reserve, or any other reserve component of the military or naval forces of the United States is entitled to leave of absence of 15 days per calendar year, without loss of pay, seniority status, efficiency rating, vacation, sick leave, or other benefits when engaged in training or active service. This bill specifies that the employees can choose when during a calendar year to take their 15-day military leave. The bill was laid over for possible inclusion in the omnibus bill.

SF457 (Pappas): Local government public safety employees on authorized leave reimbursement grant program. This bill requires the Adjutant General to make grants to local units of government to reimburse them for the replacement costs of providing services that would have been performed by

public safety employees who are on authorized leave. Public safety employees include full-time peace officers, firefighters and ambulance service personnel. Replacement costs include wages or salaries, benefits and other costs including overtime, paid to permanent full-time employees who provide services in addition to their ordinary duties to replace the services of an employee on authorized leave. Grants will be made for replacement costs incurred beginning in calendar year 2013. Estimated costs to the general fund would be approximately \$2,000,000 per year. The bill was laid over for possible inclusion in the omnibus bill.

SF1124 (Reinert): USS Minnesota commissioning committee grant appropriation. This bill appropriates \$200,000 for FY2014 from the general fund to the Adjutant General of Military Affairs for a grant to the USS Minnesota Commissioning Committee to endow two scholarships. The grant is conditional in that each state-appropriated dollar must be matched with a private sector dollar. The bill was laid over for possible inclusion in the omnibus bill.

Committee: House State Government Finance and Veterans Affairs

Chair: Rep. Mary Murphy

Agenda:

Presentation of draft delete-everything amendment to HF1184, which is the vehicle for the omnibus state government budget bill.

The bill introductions and committee hearing status can be found on the Veteran Bill Tracker spreadsheet under Legislative Updates at <http://www.mdva.state.mn.us/> .